

ORGANISING AND ORGANISATION STRUCTURE

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“Man’s greatest challenge is to find someone able to make him do what he is capable of doing.”

Emerson

DEFINITION

“The process of identification and grouping the work to be performed, defining and delegating responsibility and authority and establishing relationships for the purpose of enabling the people to work most effectively together in accomplishing objectives.”

STEPS IN ORGANISING

DEFINING ORGANISATIONAL GOALS

IDENTIFYING ACTIVITIES TO ACHIEVE GOALS

GROUPING OF ACTIVITIES

MAKING ARRANGEMENT OF RESOURCES

DEFINING AUTHORITY

DELEGATING AUTHORITY

ESTABLISHING SUPERIOR SUBORDINATE RELATIONSHIP

PROVISION OF CO-ORDINATION

DISTINGUISH

FORMAL ORGANISATION

1. FORMATION

Is created by the top management deliberately and consciously. It is a prescribed structure.

2. APPEARANCE

Can be shown.

3. RELATIONSHIP

Superior sub-ordinate relationship clearly defined.

INFORMAL ORGANISATION

- ▣ It develops by social forces existing within the formal organisation. It is a natural and spontaneous format.

Cannot be shown

Superior sub-ordinate relationship is absent.

Contd.....

FORMAL ORGANISATION

4.COMMUNICATION

- Through formal channels.

5. SUITABILITY

To large business firms.

6. BEHAVIOURNORMS

Operates as per rules, systems and procedures.

7.STABILITY

Stable type of organisation

INFORMAL ORGANISATION

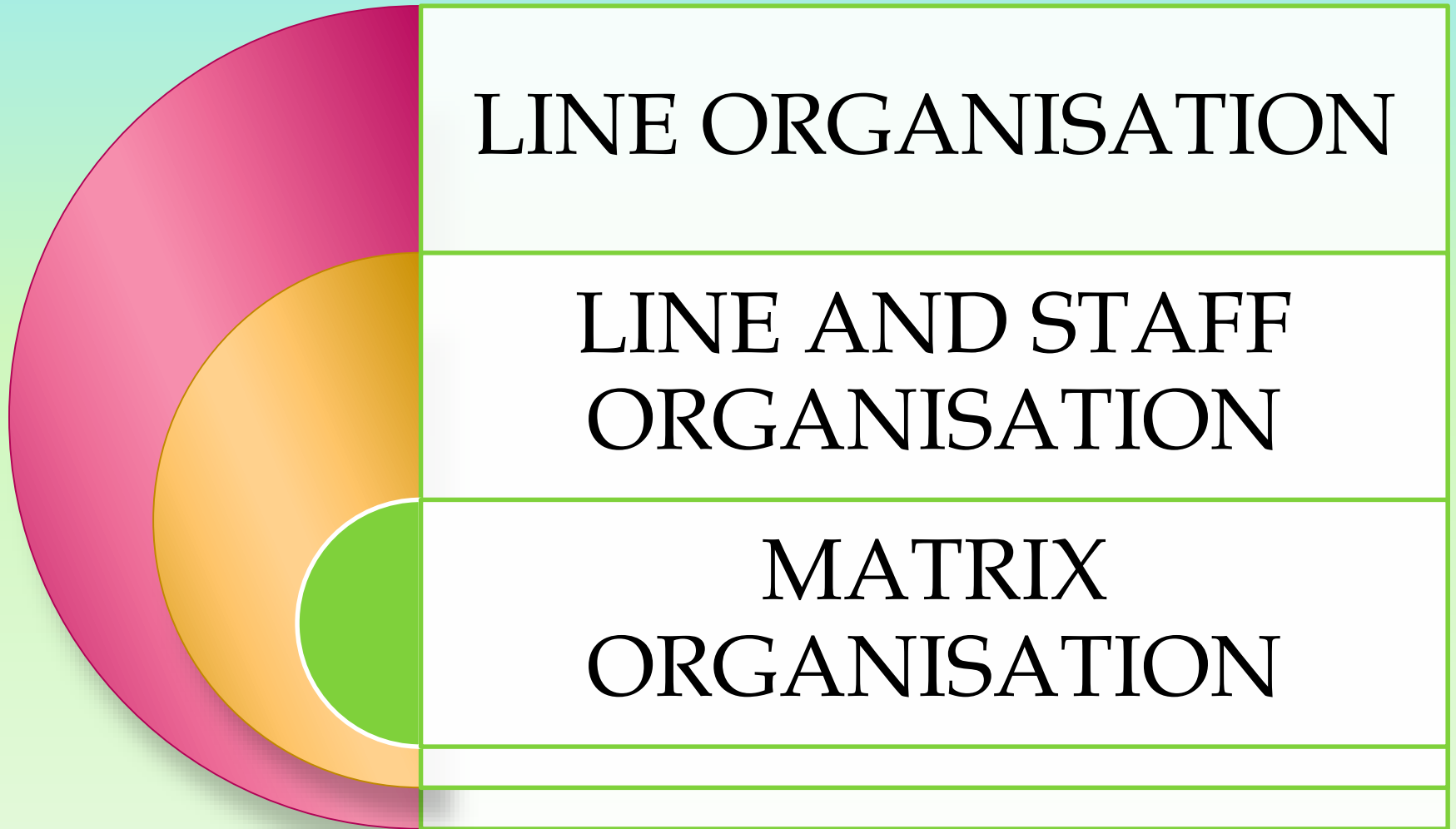
- Normally through Grapevine

To small business firms.

- Operates as per informal understanding and convention.

- No stability.

ORGANISATION STRUCTURE



CONFLICT BETWEEN LINE AND STAFF MANAGER

➤ COMPLAINT OF LINE AGAINST STAFF:

- ❑ 1. Staff ideas, suggestions and recommendations are theoretical n impractical.
- ❑ 2. Usually steal away the credit.
- ❑ 3. Suffer from superiority complex.
- ❑ 4. Waste lot of time, money n energy in planning.
- ❑ 5. Lacks human skills.
- ❑ 6. Easy access to top mgmt.
- ❑ 7. Stress on paper work.
- ❑ 8. Are careless n irresponsible

➤ COMPLAINT OF STAFF AGAINST LINE:

- ❑ 1. Resistance to new plans and ideas.
- ❑ 2. Inadequate support from line executives.
- ❑ 3. Lack of support from top mgmt.
- ❑ 4. Supply of inadequate information.
- ❑ 5. Line personnel are jealous of the status of staff personnel.

MATRIX ORGANISATION

- ▣ It was developed in US in early 1960's to solve mgmt problem in aerospace industry.
- ▣ Uses two or more co existing structure.
- ▣ Eg. Project organisation with functional organisation.

MATRIX ORGANISATION

PROJECT\DEPT	DEPARTMENT "A"MANAGER	DEPARTMENT "B"MANAGER	DEPARTMENT "C"MANAGER	DEPARTMENT "D"MANAGER
PROJECT "A" Manager				
PROJECT "B" Manager				
PROJECT "C" Manager				
PROJECT "D" Manager				

Contd.....

- In diagram authority of departmental (functional)head flows downwards and authority of project managers flows across, thereby forming a grid or a rectangular array.
- **PROJECT MANAGERS-Administrative Tasks**
(What is to be done, co-ordinate activities of F.M., Scheduling paper work)
- **FUNCTIONAL MANAGERS: Functional Aspects**
(How the work has to be done, Assign duties etc..)

FEATURES OF MATRIX ORGANISATION

- ▣ Hybrid structure
- ▣ Responsibility of project managers
- ▣ Responsibility of functional managers
- ▣ Problem of Unity of command
- ▣ Suitability
- ▣ Specialisation

DEPARTMENTATION

- Departmentation is the grouping of jobs, processes and resources into logical units to perform some organisational tasks.

Pearce and Robinson

BASES OF DEPARTMENTATION

DEPARTMENT BY FUNCTION

DEPARTMENT BY PROCESS

DEPARTMENT BY PRODUCT

DEPARTMENT BY AREA

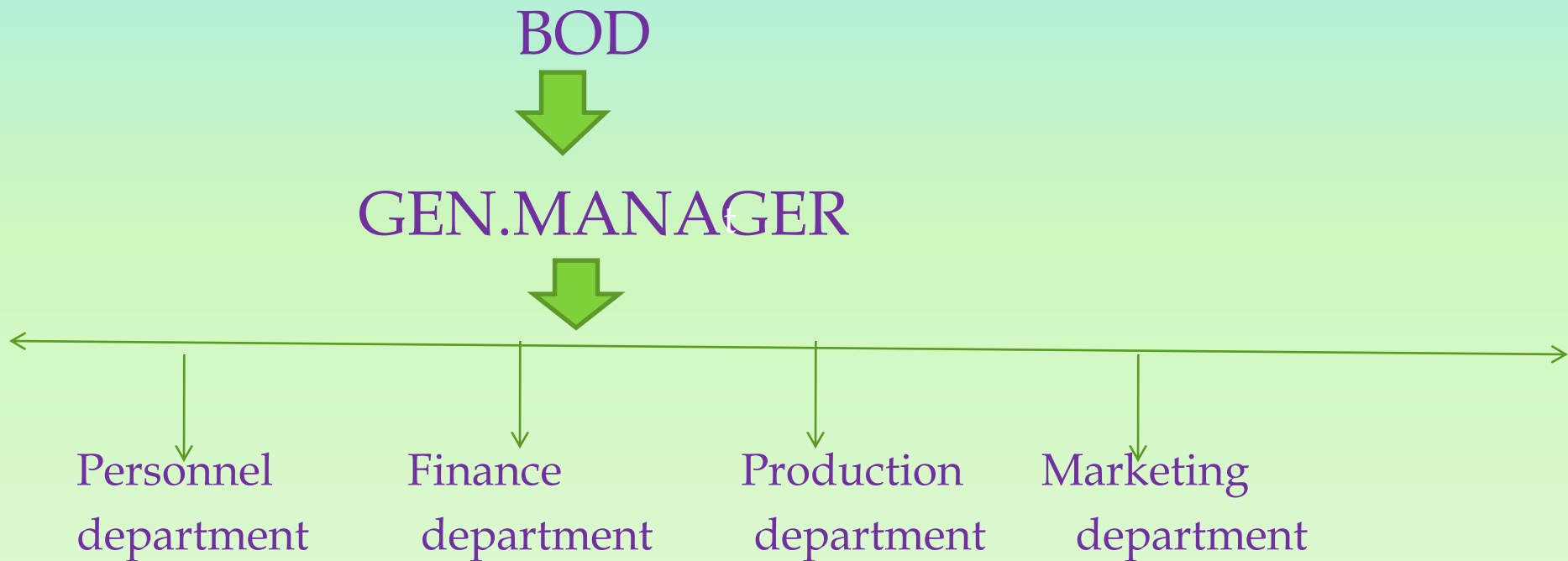
DEPARTMENT BY CUSTOMERS

DEPARTMENT BY TIME

DEPARTMENT BY NUMBERS

BASES OF DEPARTMENT

▣ DEPARTMENTATION BY FUNCTION

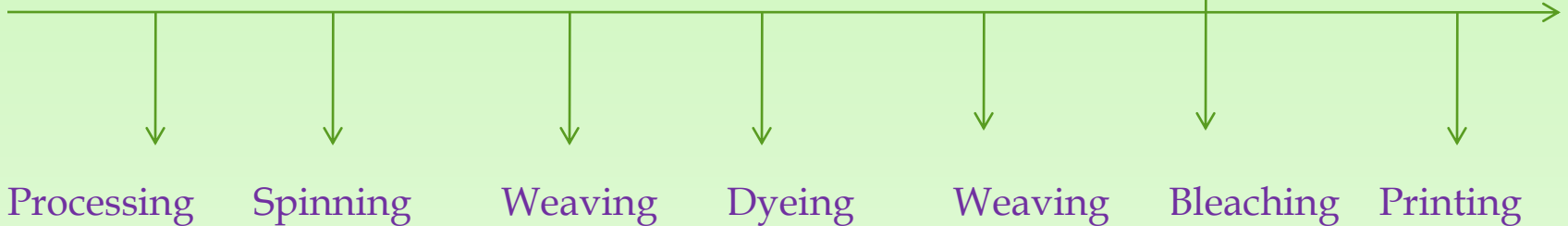


▣ DEPARTMENTATION BY PROCESS

BOD



GEN.MANAGER

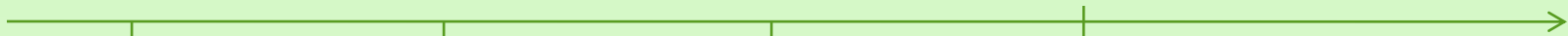


▣ DEPARTMENTATION BY PRODUCT

BOD



GEN.MANAGER



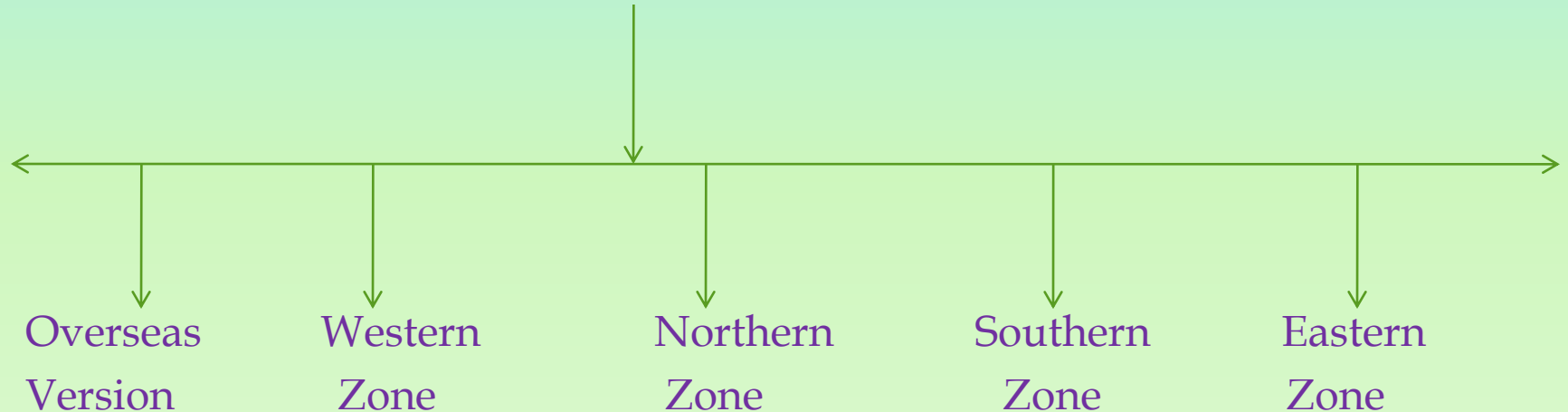
Jeeps

Truck

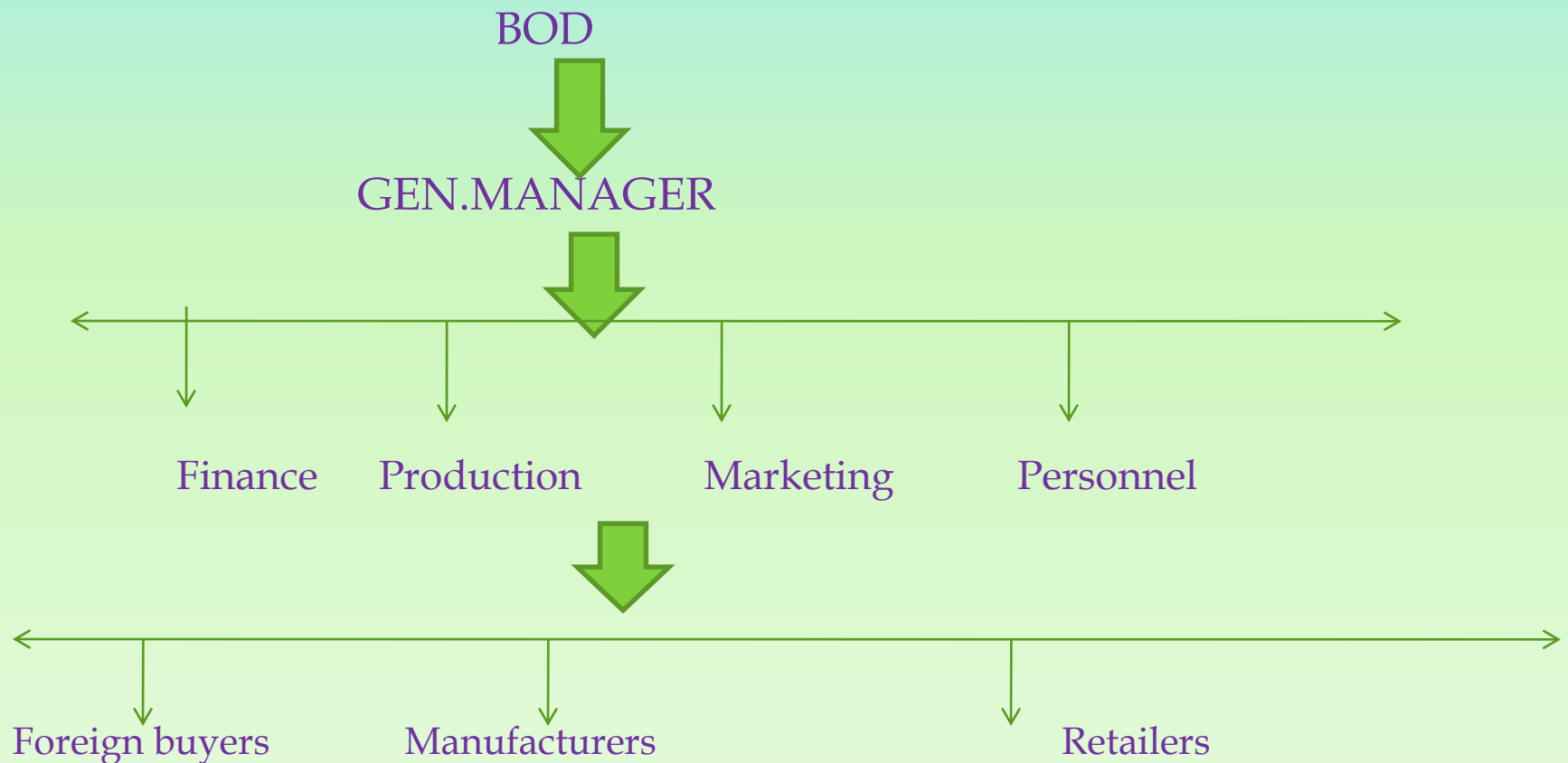
Buses

3 Wheelers

□ DEPARTMENTATION BY AREA
ZONAL DIVISION



□ DEPARTMENTATION BY CUSTOMERS



▣ DEPARTMENTATION BY TIME

SUPERVISOR

DAY
SHIFT



EVENING
SHIFT



NIGHT
SHIFT

SPAN OF CONTROL

- Span of control refers to the number of subordinates who can be supervised and managed effectively.
- Was first introduced by Sir. Ian Hamilton
- Was later on popularized by V.A.Graicunas and Lyndall Urwick

FACTORS AFFECTING SPAN OF CONTROL

- Nature of work
- Experience and capacity of superior
- Incentives offered
- Subordinate's nature and experience
- Time devoted to supervision
- Help from personal staff
- Extent of delegation of authority
- Relation between superior and sub ordinate
- Faith and Trust in subordinates

DELEGATION OF AUTHORITY

- ▣ “Delegation means assigning work to others and giving them authority to do so.”

F.C. Moore

PROCESS

ASSIGNMENT OF DUTIES TO SUBORDINATES



TRANSFER OF AUTHORITY



ACCEPTANCE OF ASSIGNMENT



CREATION OF RESPONSIBILITY

BARRIERS TO DELEGATION OF AUTHORITY



BARRIERS ON
PART OF
MANAGERS



BARRIERS ON
PART OF
SUBORDINATE

Barriers.....

ON PART OF MANAGERS

- Unwillingness of manager to delegate
- Fear of competition
- Lack of confidence in subordinates
- Inability to direct
- Desire to dominate

ON PART OF SUBORDINATE

- Too much dependence on managers
- Fear of criticism
- Lack of information
- Poor superior subordinate relations
- Fear of being exposed